IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

WEALTH TAX REFERENCE No 6 of 1986

For Approval and Signature:

Hon'ble MR.JUSTICE A.R.DAVE Sd/-
and
Hon'ble MR.JUSTICE D.A.MEHTA Sd/-

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

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CHHOTABHAI J PATEL

Versus

COMMISSIONER OF WEALTH-TAX

Appearance:

MR MEHUL K.PATEL FOR MR KC PATEL for Applicant.

MR BB NAYAK FOR MR MANISH R BHATT for Respondent No. 1

CORAM : MR.JUSTICE A.R.DAVE
and
MR.JUSTICE D.A.MEHTA

Date of decision: 03/07/2001

ORAL JUDGEMENT

(Per : MR.JUSTICE A.R.DAVE)

At the instance of the assessee, the following question of law has been referred to this Court by Income-tax Appellate Tribunal, Ahmedabad Bench 'A' under the provisions of section 27(1) of the Wealth Tax Act,1957.

"Whether on the facts and circumstances of the case, the Tribunal was justified in holding that while valuing the assessee's interest in the partnership firm, the goodwill ought to have been taken into account even though the same is not appearing in the balance sheet of the said partnership firm ?"

We have heard learned Advocate Shri Mehul K.Patel appearing for the applicant-assessee and learned Advocate Shri Bharat Nayak for the Revenue.

It has been fairly submitted by the learned Advocates that the question which has been referred to this Court has already been answered in the case of Harshadkumar Natvarlal Dalal Vs. Commissioner of Wealth Tax, reported in 219 I.T.R.592. Looking to the law laid down in the said judgment we answer the question in the negative i.e. against the revenue and in favour of the assessee.

The Reference stands disposed of accordingly with no order as to costs.

Sd/- Sd/-
(A.R.Dave, J) (D.A.Mehta, J)

m.m.bhatt